

General Government Accounts

Mission Statement

To budget for services provided on a citywide basis and not directly associated with an operating department or office.

Strategic Plan Accomplishments and 2004 Priorities

Major Accomplishments

- The Charter Commission has worked on analysis and preparation of alternative redistricting proposals.
- The process for distribution of city funds to non profit city organizations has been conducted equitably according to city council policies.
- Working with the City's labor union representatives, city staff have managed the financial control of the costs related to city employee fringe benefits, including pensions, insurance, workers' compensation and severance pay.
- Implementation of the 2002 Innovations Program projects are underway.
- The audit of the City's 2002 financial records is nearly complete, and the annual financial report is being prepared, printed and distributed.
- Tort claims levied against the City and approved by the city council have been managed, and claimants paid.
- The City's interests and share of costs for the operation of city hall, including security issues in the aftermath of 9/11/01, have been managed.
- The citizen participation program and the neighborhood crime prevention programs were funded.
- Election services to the citizens of Saint Paul were provided.

2004 Priorities

- The city council staff manage the Civic Organization Partnership program and the budget for the Charter Commission.
- The City Attorney's Office oversees the Tort Liability budget and administers any use of law firms and expert legal service outside of the city attorney staff.
- The Citizen Services Office is responsible for the elections services budget.
- The Office of Financial Services works with the budgets for pensions, severance pay, state auditor, the contribution to the capital budget, the Capital Improvement Budget committee, financial forms, employee parking, and refunds.
- The Real Estate unit deals with exempt and forfeited property assessments and the service and operations of the city hall building.
- Human Resources (risk management) leads the citywide effort to control the costs associated with workers compensation, employee and retiree health insurance, torts, and unemployment compensation.
- The Planning and Economic Development staff directs the budget for Citizen Participation and the Neighborhood Crime Prevention program.
- Work will begin on a common 311 citizen response telephone answering system.

General Government Accounts

DEPARTMENT/OFFICE DIRECTOR: MATT SMITH

	2001 2ND PRIOR EXP & ENC *	2002 LAST YEAR EXP & ENC *	2003 ADOPTED BUDGET	2004 MAYOR'S PROPOSED	2004 COUNCIL ADOPTED	ADOPTED MAYOR'S PROPOSED	CHANGE FROM 2003 ADOPTED
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<u>SPENDING APPROPRIATIONS</u>							
001 GENERAL FUND	8,984,467	7,934,643	7,195,012	5,962,766	5,962,766		1,232,246-
720 DEBT-CAPITAL IMPROVEMENT FUND		129,322					
TOTAL SPENDING BY UNIT	8,984,467	8,063,965	7,195,012	5,962,766	5,962,766		1,232,246-
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<u>SPENDING BY MAJOR OBJECT</u>							
SALARIES	254,123	103,227	83,157	4,970	70,594	65,624	12,563-
EMPLOYER FRINGE BENEFITS	24,106-	47,200	24,403	522	65,102-	65,624-	89,505-
SERVICES	2,634,906	2,899,081	2,605,227	2,765,259	2,765,259		160,032
MATERIALS AND SUPPLIES	188,878	117,261	18,524	15,469	15,469		3,055-
MISC TRANSFER CONTINGENCY ETC	3,850,389	3,653,463	4,210,169	3,176,546	3,176,546		1,033,623-
DEBT	2,012,963	1,090,338					
STREET SEWER BRIDGE ETC IMPROVEMENT							
EQUIPMENT LAND AND BUILDINGS	67,314	153,395	253,532				253,532-
TOTAL SPENDING BY OBJECT	8,984,467	8,063,965	7,195,012	5,962,766	5,962,766		1,232,246-
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		10.2-%	10.8-%	17.1-%			17.1-%
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<u>FINANCING BY MAJOR OBJECT</u>							
GENERAL FUND	8,984,467	7,934,643	7,195,012	5,962,766	5,962,766		1,232,246-
SPECIAL FUNDS							
TAXES							
LICENSES AND PERMITS							
INTERGOVERNMENTAL REVENUE							
FEES, SALES AND SERVICES	1,250	116,911					
ENTERPRISE AND UTILITY REVENUE							
MISCELLANEOUS REVENUE	27,251						
TRANSFERS							
FUND BALANCES							
TOTAL FINANCING BY OBJECT	9,012,968	8,051,554	7,195,012	5,962,766	5,962,766		1,232,246-
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		10.7-%	10.6-%	17.1-%			17.1-%

Budget Explanation

Major Changes in Spending and Financing

Creating the 2004 Budget Base

The 2003 adopted budget was adjusted to set the budget base for the year 2004. The permanent budget adjustments made in early 2003 to cope with cutbacks in the State's local government aid payments for 2003 and beyond were annualized for 2004 and reflected in the base budget. In particular, the base budget for each department reflects the “round 1” mid-year budget adjustments as adopted by the City Council, and the “round 2” adjustments as proposed by the Mayor and awaiting council action at the time the 2004 budget planning process began. The budget was increased for the anticipated growth in 2004 for salaries and fringes for staff related to the bargaining process. Employee benefit cost increases were projected and then considered in the process that distributes those total costs to the city departments’ budgets through the budget system using the “fringe rate” process. Finally, a spending cap was imposed on the department’s adjusted general fund budget to help meet the announced cutbacks in the State’s 2004 local government aid funding.

The mid year 2003 round 1 and 2 adjustments affected the base. These changes include:

- removing all 2003 appropriated contingencies,
- reducing the Public Improvement Aid contribution from the general fund to the capital budget,
- shifting of employee downtown business parking expense out of the general government accounts to department budgets, and
- cutting back in the budget for Financial Forms,
- adjusting the funding within the Community Development Block grant, affecting the general fund’s district councils’ budget, and decreasing the district councils’ budget,
- decreasing the tort liability budget, and
- eliminating the worker’s compensation incentive program.

Further adjustments were then made to the base. Specifically:

- adjusting the COPP program budget to remove council added one-time 2003 funding,
- including the normal annual increase in the elections contract with Ramsey County in the base, and removing the one time 2002 and 2003 funding for election equipment,
- deducting one time 2003 costs from the city hall courthouse budget,
- revising the Forfeited Property Assessments budget, modifying a decision from the Round 2 reduction plan,
- adding to the Exempt and Forfeited Property Assessments budgets to cover anticipated city assessment rate increases,

- adjusting the 2003 estimates for financing for pension aids to bring them to an expected 2004 level.

Mayor’s Recommendations

The proposed general fund budget for the General Government Accounts for 2004 is \$5,962,766, and is down \$1,232,246, or 17.1% from the adopted 2003 budget of \$7,195,012. The General Government Accounts have no special fund budgets.

The Mayor recommends a 2004 budget for the General Government Accounts reflecting the 2003 Round 1 and 2 reduction plans. To meet 2004 base spending, the Mayor made decisions to decrease spending, reduce services, and reflect other miscellaneous cuts to meet the spending cap. Some notable changes include:

- establishing a budget for the initial assessment and design work related to a 311 citizen response phone system for Saint Paul,
- adjusting the exempt and forfeited property assessments budgets below base and implementing a Round 1 staffing decision,
- shifting the costs of tort liability claims from the non department general government accounts general fund budget into the general and special fund budgets of the department responsible for the action that lead to the claim to increase department accountability,
- reducing the COPP program budget by the same percentage as the cutback in State local government aid,
- recognizing the costs of security in the city hall and courthouse building,
- covering the costs of election services provided by Ramsey County,
- modifying the municipal memberships budget for some minor increases in dues, and
- reflecting the general governments accounts’ share of city-wide budget savings related to the continuation of the hiring freeze into 2004, and a slight cutback in support costs.

Council Actions

The city council adopted the General Government Accounts budget and recommendations as proposed by the mayor, and approved the following changes:

- swapping funding within the Worker’s Compensation budget by increasing funding for a worker’s compensation staffer and decreasing funding for direct worker’s compensation costs, recognizing the duty of the staffer is to save and reduce department worker’s compensation costs, and
- ending the Community Organization Partnership Program, and replacing it with a new Ward Initiative Program.